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UNCLAS SECTION 01 OF 02 TEGUCIGALPA 000871

SIPDIS

STATE DEPARTMENT FOR M/R, WHA/EX, WHA/CEN

E.O. 12958: N/A

TAGS: [AODE](#) [AMGT](#) [KMRS](#) [ABLD](#) [ASEC](#) [EAID](#) [HO](#)

SUBJECT: NSDD 38 - MILLENNIUM CHALLENGE CORPORATION

STAFFING PROPOSAL FOR TEGUCIGALPA, HONDURAS

REF: STATE 060375

1. Ambassador Palmer approves reftel request for the Millennium Challenge Corporation to establish a presence in Tegucigalpa, Honduras consisting of 1 USDH Director, 2 USDH or USPSC program managers and up to 4 Locally Employed Staff, contingent upon satisfactory clarification of the following substantive issues.

2. Consistent with all USG presence in-country, MCC will be under COM authority. The Director of MCC in-country will therefore report to the Ambassador, not to the MCC Managing Director, as proposed reftel. Concerning position responsibilities of the Director position (as proposed in paragraph 3, Justification, part 4), Post has no objections to the proposed position responsibilities, but adds the following: "...to the GOH and other parties; coordinating with the Country Team to ensure MCC policy and program approaches are in accord with established Mission priorities and advance Mission goals (pursuant to paragraph 4B of reftel); and executing those duties related to compact implementation that have been delegated to him or her by MCC's Vice President of Country Relations or by the COM."

3. Title of head of MCC at Post should be Country Director rather than Mission Director.

4. Administrative Support Issues: Post understands that MCC will subscribe to the full ICASS logistical and administrative support for all U.S. personnel including housing and furniture pool, processing of visas and tax exemption status, customs/expediting, health unit, APO/Pouch, office space, security, small value procurement, motor pool, CLO services. MCC will also subscribe to ICASS LES management services for any Locally Employed Staff. Total cost of ICASS services will be determined based upon total number of MCC employees at post.

5. Personnel Issues: Diplomatic and official status of American DH employees and USPSC contractors in Honduras will be determined by MCC compact with Honduran Government and any official bilateral agreement. All Locally Employed Staff (LES) will fall under Chief of Mission authority and are subject to Local Compensation Plan. MCC will subscribe to all Embassy Human Resources services including classification of positions, recruitment, benefits and Human Resources management.

6. Security Issues: The RSO office will ensure security suitability for any office space outside the Embassy compound or USAID building. Any additional security measures resulting in an off-site location will be at the expense of MCC. Post strongly encourages co-location. MCC will be responsible for cost of Residential Mobile Patrols.

7. Office and Residential Space Issues: Post anticipates that suitable co-location office space can be established in either the U.S. AID building or the Chancery. For any modification of existing office space, MCC must reimburse the Department of State for any additional cost of building, renovating or modifying existing office space.

8. Training Issues: All necessary training and costs involved with training are the responsibility of MCC. All MCC American personnel traveling to post on permanent assignment must complete mandatory personal security training (Servicing Abroad for Families & Employees S.A.F.E.). Ambassador Palmer also strongly recommends all MCC American employees attend the FSI course entitled "Working in an Embassy Abroad."

9. NSDD-38 Decision

A. The proposed staffing changes are reflected in the most recent (2007) MPP in Trade and Development Goals.

B. There are no other resources already present at post that are performing or could perform the MCC function.

C. The MCC function could not be accomplished using TDY, Foreign National, contract, or other local hire personnel.

D. MCC will receive administrative support by subscribing to

the full range of ICASS services. Office space is to be determined and any modifications to existing space paid for by MCC.

[1E](#). The benefits of increased staff outweigh the inherent security risks associated with additional personnel.

[110](#). Post looks forward to a constructive and positive relationship with MCC in Honduras.

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